COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

REQUEST FOR CONFIDENTIAL TREATMENT OF)
INFORMATION FILED WITH SOUTH CENTRAL)
BELL TELEPHONE COMPANY'S PROPOSED) CASE NO. 94-413
CONTRACT WITH DAVID KURTZ FOR INTEGRATED)
SERVICES DIGITAL NETWORK - INDIVIDUAL)
RESIDENCE SERVICE)

O R D E R

This matter arising upon petition of BellSouth Telecommunications, Inc., d/b/a South Central Bell Telephone Company ("South Central Bell"), filed November 1, 1994, pursuant to 807 KAR 5:001, Section 7, for confidential protection of the cost support data developed in connection with South Central Bell's proposed contract for Integrated Services Digital Network - Individual Residence Service on the grounds that disclosure of the information is likely to cause South Central Bell competitive injury, and it appearing to this Commission as follows:

South Central Bell has contracted with David Kurtz to provide Integrated Services Digital Network - Individual Residence Service. In support of its application for approval of the contract, South Central Bell has provided cost data which it seeks to protect as confidential.

The information sought to be protected is not known outside of South Central Bell and is not disseminated within South Central Bell except to those employees who have a legitimate business need

to know and act upon the information. South Central Bell seeks to preserve and protect the confidentiality of the information through all appropriate means, including the maintenance of appropriate security at its offices.

KRS 61.872(1) requires information filed with the Commission to be available for public inspection unless specifically exempted by statute. Exemptions from this requirement are provided in KRS 61.878(1). That section of the statute exempts 11 categories of information. One category exempted in subparagraph (c) of that section is commercial information confidentially disclosed to the Commission. To qualify for that exemption, it must be established that disclosure of the information is likely to cause substantial competitive harm to the party from whom the information was obtained. To satisfy this test, the party claiming confidentiality must demonstrate actual competition and a likelihood of substantial competitive injury if the information is disclosed. Competitive injury occurs when disclosure of the information gives competitors an unfair business advantage.

The service offered to David Kurtz allows residential customers to transmit voice and data over the integrated services digital network. The service is an alternative to other local exchange service offerings, private line/data services, and dedicated private line networks. South Central Bell's competitors for this service are cellular carriers who may also provide cellular data services and will soon include providers of personal communications services, cable TV providers, and alternate access
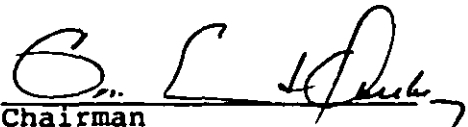
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providers. South Central's competitors for private line data services are interexchange carriers, resellers, and vendors of microwave, digital radio, fiber, VSAT, and other wireless equipment and services. The information sought to be protected would provide South Central Bell's competitors with its cost and contribution from the service which they could use in marketing their competing services. Therefore, disclosure of the information is likely to cause South Central Bell competitive injury and the information should be protected as confidential.

This Commission being otherwise sufficiently advised,

IT IS ORDERED that the cost support data developed in connection with South Central Bell's proposed contract for Integrated Services Digital Network - Individual Residence Network Service, which South Central Bell has petitioned to be withheld from public disclosure, shall be held and retained by this Commission as confidential and shall not be open for public inspection.

Done at Frankfort, Kentucky, this 5th day of December, 1994.

PUBLIC SERVICE COMMISSION

Chairman

Vice Chairman

ATTEST:

Executive Director

Commissioner